

CITY OF MILWAUKIE
BUDGET COMMITTEE MEETING
May 7, 2018

Members Present: Shane Abma, Lisa Batey, Jesse Boumann, Milo Denham, Angel Falconer, Mark Gamba, Michael Osborne, Wilda Parks and Jon Stoll

Excused: Ronn Palmer

Staff Present: Steve Bartol, Kelly Brooks, Bonnie Dennis, Denny Egner, Brandon Gill, Haley Fish, Ann Ober, Gary Rebello, Tim Salyers, Scott Stauffer, Luke Strait

The meeting was called to order at 5:30 pm.

Committee introductions were done.

Ms. Fish explained the handouts that were distributed to members.

Ms. Ober explained the Milwaukie Tomorrow, City Council goals and City Manager priorities handout.

Department Budget Detail Presentations

Planning budget was presented by **Denny Egner**. He described department functions and personnel responsibilities. The department is continuing work on the comprehensive plan. The increase in education and training would be used to offer the Planning Commission members training.

Chair Stoll asked about the assisted annexation program line.

Mr. Egner responded there can be 6-10 annexations per year; this is an expense line for the cost of Metro's fee. As an outcome of the comprehensive plan effort, it might be more active in future annexations.

Ms. Batey stated since the staff will have a more active role in Milwaukie Bay Park, this should be included as a department goal.

Mr. Egner stated this would be included in the development review process.

City Council budget was presented by **Ann Ober**. There were not significant changes, the open streets event was moved to the City Manager's budget given the staffing for the event is in that budget.

Ms. Parks asked about the events amount in past years.

Ms. Fish responded at least \$50,000 was allocated for Sunday Parkways (aka open streets) in past years.

Ms. Batey asked what is the employee benefits line.

Ms. Fish responded taxes.

City Attorney budget was presented by **Ann Ober**. This budget does not include the HR attorney or city prosecutor; it is only for specific daily functions of government.

Ms. Batey clarified the prosecutor is located under court and the HR attorney is in the Human Resources budget.

Ms. Fish responded yes to both.

Ms. Ober stated interviews are next week; once the person is onboard for a few months, a determination can be made on what contracted legal services will be needed.

Ms. Parks asked about administrative services for the attorney.

Ms. Ober responded the administrative assistant will be retained under City Manager office.

City Manager budget was presented by **Kelly Brooks**. She described personnel responsibilities; highlighted a few items which decreased the budget, these included, the climate action plan contract not continuing into the new biennium, no longer funding the geese mitigation, lower ongoing expenses for Elk Rock. The increase in the advertising and events categories was due to a redistribution of professional services. There has been increasing costs due to events, which are more accurately reflected in the budget. The totals did not change, just a reallocation of the line items.

Ms. Parks asked where the county tourism funds located.

Ms. Brooks responded the funds are a pass through.

Mr. Denham clarified the budget with the red numbers is the most recent.

Mr. Abma asked why the public arts fund is budgeted for the first year only.

Ms. Fish explained that is fully allocated to the library budget.

Mayor Gamba asked if are we doing something around murals.

Ms. Fish responded it is in the City Council budget; it was not spent last year.

Mayor Gamba asked if there is an ongoing line item for it.

Ms. Fish responded no.

Ms. Batey asked where the funds are located.

Ms. Fish in the City Council budget under events.

Ms. Ober added there was discussion with Art Mob and they might attend the next meeting to make a request for additional funds.

Human Resources budget was presented by **Gary Rebello**. He described department functions and personnel responsibilities. He highlighted some of the accomplishments including a consolidating the employees' 457 deferred compensation plan, initiating a work force engagement survey, and offering more leadership development training. The labor contracts are being bargained this year.

Mr. Denham asked how much savings was realized in the consolidation of the 457 plans.

Mr. Rebello responded \$50,000 of employee savings.

Ms. Ober recognized **Mr. Rebello's** hard work in implementing the plan change.

Ms. Batey asked about HR's training line item compared to individual department's training.

Mr. Rebello responded his training line is not skills training, it is a more broader scale, such as management, leadership or diversity. Learning Point and Kinetic passes / vouchers are purchased by HR for training throughout the year.

Mr. Abma asked if there is a line item for an attorney.

Mr. Rebello responded next year their will not be bargaining, so the line item is lower.

Ms. Batey asked if outside council will be needed to other employment matters.

Mr. Rebello responded sometimes it is needed; he has access to someone who can do investigations at a lower rate than an attorney.

Office of the City Recorder budget was presented by **Scott Stauffer**. He described department functions and personnel responsibilities. He highlighted some accomplishments including a

Granicus conversion to YouTube for meeting videos and administering special council projects. The budget reflects a reduction in staffing due to a retirement; professional development, dues & subscriptions reflects this staff reduction. The electronic records management has been a success within the city; there will be a cost savings once more cities come on board but the budget will need a little increase in the ERMIS line to maintain the system. With the comprehensive plan review, there will be significant changes to the city code; publishing the code changes are an expense within this department's budget.

Ms. Batey asked about searching the archives online.

Mr. Stauffer outlined the menus to access to arrive at the online archives.

Ms. Ober offered on the website, under Useful Links, the Helpful Links menu has the digital archives.

Ms. Batey added to the conversion that YouTube is user friendly.

Mr. Stauffer responded there may be future mandates regarding closed captioning which his office is monitoring.

Mr. Abma asked if the Granicus videos are still accessible.

Mr. Stauffer responded the entire archive is still available.

Mr. Abma asked if YouTube has the same features as Granicus.

Mr. Stauffer responded staff does the time stamp.

Ms. Batey added there may not be the older meetings.

Mr. Stauffer responded at some point they will not be available, but right now they are still available.

Code Enforcement budget was presented by **Tim Salyers** and **Luke Strait**. He described department functions and personnel responsibilities. Accomplishments include two abatements; parking enforcement has a new device which allows for electronic tracking of vehicles.

Ms. Batey asked what is the significance of the valve stem.

Mr. Salyers explained the process of monitoring the parked cars. The parking permit system was brought in-house due to the new parking handheld unit capabilities. Code enforcement case numbers has not changed much. The SAFE program might be a future task of this department.

Mr. Abma appreciates working for compliance first. Does the city lose money for the abatements?

Ms. Fish added properties are lienied but further foreclosure procedures are not done; it is not considered a revenue stream.

Ms. Parks commented parking enforcement might be needed full-time.

Mr. Salyers responded the parking study is currently being done.

Ms. Batey asked why the previous parking officer left the position.

Mr. Salyers responded that she went back to school.

Ms. Batey commented that she hears complaints about boat ramp parking, and would like to see a full-time parking officer.

Mr. Boumann asked what transpired from FY15 through FY17 for parking citations.

Mr. Salyers responded a there was an amount of time where the position was vacant; when the position was hired cars were not moving so the number of citations significantly increased.

Mayor Gamba asked where is the balance between the parking permit system and parking enforcement and the cost of enforcement.

Ms. Fish stated the Finance Department did perform a parking analysis, which will be discussed in conjunction with the upcoming master fee schedule presentation.

Police Department budget was presented by **Steve Bartol** and **Luke Strait**. There is not a lot of change. The one change is the three budgets are being combined into one budget to make it more flexible. The training budget increased to \$18,000 in the second part of the biennium to send another sergeant to the police institute as part of succession planning.

Captain Strait thanked the committee for approving the supplemental budget that allowed him to attend the police institute. He spoke of his experience in detail.

Chief Bartol explained the police vehicle replacement schedule. Personnel services increased due to all the issues the committee is aware of.

Ms. Parks asked for explanation of community safety upgrades and the conviction fees

Chief Bartol responded that community safety upgrades fees that are associated to citations; the fee was used for traffic safety investment. Statutes restricted cities in fees that could be added to the citation, so the fee was discontinued. The conviction fee was related to photo radar; the vendor assessed a fee for every citation issued.

Mr. Boumann asked the difference between priority one and two calls.

Bartol explained the process between the two types of calls. Mental health crises have significantly increased.

Mr. Boumann asked if the numbers transposed for previous years.

Mr. Osborne asked why dues and subscriptions increased.

Chief Bartol responded it is a total of \$5,000 for the biennium.

Mr. Osborne asked if the decrease in citations is associated with photo radar.

Chief Bartol answered the officers that have worked in the photo radar van eventually retired. The job posting did not yield any qualified applicants. They will be looking at traffic enforcement from a different perspective.

Mr. Boumann commented the fleet reserve amount will only replace one vehicle.

Chief Bartol clarified the \$150,000 will fund three vehicles.

Chair Stoll asked the status of police radios.

Chief Bartol responded with history of the radios; the purchase will be made in the current year under the agreement with C800.

Ms. Fish added that it is included in public safety supply line.

Ms. Batey asked if the vehicles are budgeted for in contractual services.

Chief Bartol responded the vehicles are in capital outlay.

Mr. Osborne asked what are vehicle releases.

Chief Bartol explained the impound process of a vehicle; the legal owner must pay a fee that covers the police time to verify vehicle ownership.

Mr. Osborne asked why it doubled.

Chief Bartol responded that it is incident driven.

Ms. Falconer asked if there have been additional calls to help houseless individuals.

Chief Bartol explained Officer Wells is the liaison in assisting individuals and directing them to resources.

Mayor Gamba asked if the number of contacts is tracked.

Chief Bartol answered no.

Mayor Gamba believes it is increasing.

Chief Bartol responded there is not a code setup to track activity.

BREAK

Ms. Falconer clarified there could be a code to track the calls.

Chief Bartol responded that he will have his records specialist set-up a tracking code.

Ms. Ober added officers do outreach with distribution of blankets when the weather is cold; will the code track this type of interaction.

Chief Bartol responded he will work with staff on how the code will be used to track these situations.

Mayor Gamba commented he would like to see that tracking of the trend of the homeless.

Chief Bartol responded the Clackamas County population count does not capture this type of data.

Mr. Boumann asked if code enforcement is responsible for disbursing a group and cleaning up property.

Chief Bartol responded the police does not have a cleanup budget.

Ms. Ober asked if he is speaking of a zombie home situation.

Chief Bartol outlined the process of cleaning up a property citing a situation a few years ago related to a home on Harmony Road.

Facilities budget presented by **Peter Passarelli** and **Damian Farwell**. Mr. Farwell noted a few accomplishments including the completion of the Ameresco contract which included lights and HVAC improvements, participation in the Energy Trust program resulting in energy savings and cash incentives and city buildings will be having a condition assessment done which will assist in the CIP.

Mayor Gamba asked if the CIP list will be reviewed by the committee.

Ms. Fish stated time is not scheduled at this point.

Mayor Gamba would like to know the status of deferred maintenance.

Chair Stoll state more time should be spent on the CIP.

Fleet Services budget presented by **Peter Passarelli** and **Damian Farwell**. He explained the process for fleet vehicles; they are dealing with a backlog of surplus vehicles that are being sold. Revenue generated from these sales, so far, has been \$100,000. Vehicle replacement is usually with a plug-in vehicle, if it is not a service vehicle; there have been many vehicle replacements postponed because there is not a need.

Mr. Boumann asked what outlet is used to sell the vehicles.

Mr. Farwell answered GovDeals.

Mayor Gamba stated he would like to see miles per gallon by vehicle category.

Mr. Farwell responded heavy vehicles do not have opportunity to improve efficiency. They have started tracking mileage.

Ms. Ober clarified to meet the mayor's request, would additional work be needed.

Mr. Farwell responded yes.

Ms. Ober stated this would be a good parking lot item.

Mayor Gamba wanted to know going forward if there is room for improvement.

Mr. Passarelli added in the public works vehicles there is low mpg which could be related to staff not practicing no idling policy or a lot of stop and go driving. Making sure staff is using the right vehicle for the job; to improve the city's carbon foot print.

Information Technology budget presented by **Brandon Gill**. He described department functions and personnel responsibilities.

Ms. Ober gave credit to **Mr. Gill** with saving the city money; these savings have paid for much needed items.

Mayor Gamba excited to see migration to CES for internet services.

Mr. Gill added there will be cyber security staff training.

Mr. Boumann asked why number of laptops are decreasing.

Mr. Gill responded the laptops being replaced with an iPad.

Mr. Osborn asked email account supported decreased dramatically.

Mr. Gill responded the city now uses Office 365 which is cloud based; outdated email boxes were eliminated.

Municipal Court budget was presented by **Haley Fish**. Due to the lower volume of tickets, the FTE count has been reduced. Included in this budget are services paid to the city prosecutor, court bailiffs and the judge's contract. Education and training has decreased due to the staff reduction and the judge's training reimbursement will go through her contract. There are two court sessions a month.

Ms. Batey asked about the city prosecutor's contract amount.

Ms. Fish responded the city prosecutor is paid a set fee per month. This budget reflects the number of attendance court sessions to two a month; the judge oversees these sessions.

Finance budget was presented by **Haley Fish**. There was an increase in FTE due to EOC responsibilities transferring to Finance. The significant increase in the bank charges relates to the proposed financial policy change (on page 28). The utility billing services line was previously in the individual utility funds; this is now consolidated and will be reflected in the transfers amount. Audit services will go out for RFP next year. Education line has increased to turnover in major positions; this will allow training for those individuals to build their skill sets and possibly bring software experts to help staff use the new software more efficiently.

Ms. Batey asked for clarification of bank charges.

Ms. Fish responded interest revenue was used to offset bank fees. Going forward, the city should record gross revenue and gross fees because they are not based on equivalent services and then allocating bank charges on how the fees are being generated. There is a utility billing line in transfers that was not previously in the budget.

Ms. Ober stated most of this was seen in the Building department; this more accurately reflects which departments have interest and those departments that have high fees.

Mayor Gamba asked the amount of bank fees.

Ms. Fish responded the projected amount for the Building department is \$24,000. She explained how the fees would be allocated.

Mr. Abma asked if there is a charge to use a credit card.

Ms. Fish responded the current policy there are no convenient fees. In the master fee schedule, the Building department is proposing a technology fee to cover bank fees and software update fees.

Mr. Denham asked if it will be added to the permit fee.

Ms. Ober asked if a customer can set-up a recurring payment with their credit card.

Ms. Fish responded that auto-pay is only a checking or savings account, not a credit card.

Ms. Ober commented there is significant interest to lower fees the bank fees, this will be added to the parking lot.

Non-Departmental was presented by **Haley Fish**. She explained the items paid from this budget.

Ms. Parks asked why Knutson Pioneer Cemetery is zero.

Ms. Fish responded the endowment was distributed this year.

Ms. Ober clarified the city still provides water.

Mayor Gamba asked about the number families receiving financial utility assistance seems low.

Ms. Fish responded this is a one-time opportunity to waive part of their utility balance, qualifications are assessed for this money.

Mayor Gamba asked for the actual number of low income assistance program participants. This will be added to the waitlist.

Mayor Gamba asked why LOC membership comes out of this budget.

Ms. Fish answered the LOC membership is city-wide.

PEG budget was presented by **Haley Fish**. This department has been retitled from Public Access Studios to PEG. All the operating funds have been moved out of this department, so it strictly accounts for restricted capital funds.

Debt Service budget was presented by **Haley Fish**. This is where general obligation debt is paid. It includes the Full Faith and Credit Obligation bonds reimbursed by Clackamas County.

Ms. Batey asked what is the debt on Milwaukie Bay Park; thought this was funded by the Kellogg Good Neighbor Committee (KGNC).

Ms. Fish responded these are what are funded by the KGNC.

Mr. Stoll asked why the debt service property taxes are decreasing.

Ms. Fish responded it is based on debt service for the next two years; the net amount covers the actual debt service amount based on a 94% collection rate.

Call for Public Comment

Chair Stoll called for public comment.

Elvis Clark commented on biennial budget goals.

Greg Hemer made a budget request for \$44,950 for Lot's Loop signage.

Ms. Falconer and **Mr. Hemer** discussed other agencies that could possibly be contacted to assist the museum in this endeavor. **Ms. Parks** and **Ms. Batey** joined the conversation.

John DeHaas commented on a salary increase for City Council.

Ms. Falconer, Ms. Batey and Ms. Parks noted **Mr. DeHaas** request is not within Council jurisdiction.

Discussion ensued amongst committee members about stipend increases.

Chair Stoll made a motion to close the public comment section; it was seconded by Mayor Gamba. Motion passed unanimously.

Public Hearing – State Revenue Sharing

Chair Stoll called the public hearing on the state revenue sharing plan to order. He asked if any committee member has a potential conflict of interest.

Ms. Fish presented an update on the state revenue sharing estimates and proposed uses.

Chair Stoll called for testimony.

Chair Stoll made a motion to close the public hearing; it was seconded by Mayor Gamba. Motion passed unanimously.

Ms. Batey asked what is state revenue sharing.

Ms. Fish responded it is general state revenues the city is eligible to receive.

Parking Lot/Waiting List

Mayor Gamba made a motion to have a report of the average miles per gallon calculated for police, heavy equipment and light duty vehicles going forward; it was seconded by Chair Stoll. Motion passed unanimously.

Ms. Falconer made a motion for staff to explore the different credit card options; it was seconded by **Mayor Gamba**. Motion passed unanimously.

Mayor Gamba made a motion of a CIP review at the end of the May 14th meeting; Chair Stoll seconded the motion. Motion passed unanimously.

Ms. Batey made a motion for staff to generate a letter requesting LOC to engage in a Council compensation comparison across Oregon; it was seconded by Ms. Parks. Motion passed unanimously.

Mr. Denham made a motion to discuss the proposed financial policy changes at the May 14th meeting; it was seconded by Mayor Gamba. Motion passed unanimously.

Chair Stoll made a motion to discuss the community requests at the end of the May 14th meeting; it was seconded by Mayor Gamba. Motion passed unanimously.

Approval of meeting minutes for March 19, 2018 and April 30, 2018

Mayor Gamba made a motion to approve the March 19, 2018 minutes as written; it was seconded by **Mr. Denham**. Motion passed unanimously.

Ms. Parks made a motion to approve the April 30, 2018 minutes as amended; it was seconded by **Mayor Gamba**. Motion passed unanimously.

Next Meeting Scheduled

The next scheduled meeting is May 14, 2018, 5:30 pm, Milwaukie City Council Chambers.

Adjourn

It was moved by **Ms. Falconer** and seconded by **Ms. Parks** to adjourn the Budget Committee meeting at 8:45 p.m. Motion passed unanimously.

Respectfully submitted,



Judy Serio, Accountant